(18)

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Department of State

TELEGRAM

229

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DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY CJ DATE 8/7/81
PORTIONS DENIED AS INDICATED

Tripoli Tel 733 w/att 20

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ACTION AF-18

INFO OCT-01 EUR-20 NEA-13 CIAE-00 DODE-00 PM-05 H-02
INR-07 L-04 NSAE-00 NSC-10 P-03 RSC-01 PRS-01 SS-20
USIA-12 E-15 COM-08 INT-06 TRSY-11 NIC-01 RSR-01 /139 W
069918

R 141229Z APR 70
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC 6125
INFO AMEMBASSY ALGIERS
AMEMBASSY BEIRUT
AMEMBASSY BENGHAZI
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY LONDON
AMEMBASSY TEHRAN

C O N F I D E N T I A L TRIPOLI 0733

(1) SUBJ: POSTED PRICE NEGOTIATIONS

REF: TRIPOLI 710

[redacted] B4

2. PRIOR TO DEPARTING FOR ALGERIA, MABRUUK MADE PRESS STATEMENT STRESSING NECESSITY OF LIBYANIZING OIL INDUSTRY AND AGAIN ASSERTING LARG'S DETERMINATION TO ACHEIVE PRICE INCREASE AND READINESS QUOTE TO TAKE ANY ACTION TO ACHIEVE PUBLIC INTEREST UNQUOTE. ACCORDING TO BBC REPORT OF ANOTHER STATEMENT MADE BY MABRUUK UPON ARRIVAL IN ALGIERS, HE SOFTENED LATTER REMARK BY ADDING THAT LARG HAS NO RPT NO INTENTION TO NATIONALIZE OIL COMPANIES AT RRESENT. HOWEVER, THIS PORTION OF HIS STATEMENT HAS NOT BEEN INCLUDED IN

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BRIEF LOCAL PRESS COVERAGE.

3. COMMENT. LARGE STATEMENTS AND PRESSURES OF PAST FEW WEEKS SEEM TO BE ACCOMPLISHING THEIR PURPOSE. OIL COMPANY EXECUTIVES ARE BEGINNING TO ASK THEMSELVES HARD QUESTIONS ABOUT WHAT MAY BECOME NECESSARY TO OPERATE IN LIBYA, INCLUDING POSSIBILITY OF LARGE PARTICIPATION IN EXISTING CONCESSIONS. WITH MABRUUK AWAY, THIS WEEK WILL PROVIDE BOTH SIDES TIME FOR REFLECTION. HOPEFULLY, SUDDEN VISIT BY RCC PRESIDENT QADHAFI AND MEMBERS HAMZA AND MAQARYIF TO ESSO'S MARSA BREGA TERMINAL APRIL 12-13 WILL CAUSE LARGE DECISION-MAKERS TO CONSIDER PRACTICAL PROBLEMS OF OPERATING COMPLEX INDUSTRIES IN ANY DELIVERATIONS ABOUT DESIRABILITY OF NATIONAL CONTROL.

GP-4.
PALMER

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